

MEMORANDUM OF UNDERSTANDING

between the

City of Hollister

and the

Service Employees International Union, Local 817

July 1, 2003 — June 30, 2006

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Article 1. Preamble

This Memorandum of Understanding is entered into by the City of Hollister, hereinafter referred to as "City", and the Service Employees International Union, Local 817, hereinafter referred to as "Union". Further, the City recognizes the City of Hollister Municipal Employees Association, hereinafter referred to as "CHMEA", as an autonomous chapter of the Union. This Memorandum of Understanding hereinafter referred to as "M.O.U.", is subject to Sections 3500-3510 of the Government Code of the State of California, otherwise known as the Meyers-Milias-Brown Act.

Article 2. No Discrimination

The City and Union agree that there shall be no discrimination against any employee in the unit because of race, religion, creed, political affiliations, color, national origin, ancestry, age, or sex, unless defined as a bona-fide occupation qualification as defined by Federal or State law. The City and Union also agree not to discriminate against any employee for his/her activity on behalf of, or membership in or lack of membership in, the Union. Any employee alleging a violation of this article shall have the burden of proving the existence of a discriminatory act or acts and of proving that but for such act or acts the alleged injury or damage to the grievant would not have occurred.

Article 3. Recognition

Pursuant to Section 3500-3510 of the Government Code, the City certifies the Union as the recognized majority representative for all regular career, full-time employees in the General Unit. The General Unit includes all classifications of non-management, non-supervisory, and non-confidential employees in the City other than those classifications designated as local-safety in the Police and Fire Departments and the classes of Police Services Officer, Police Services Supervisor, and Multi Services Officer.

Article 4. No Abrogation of Rights

This M.O.U. does not modify any City Council rights.

Article 5. Maintenance of Benefits

The articles included in this agreement constitute a full and complete agreement with the City and Union on all matters within the scope of representation for the period stated in Article 19. Term Of Agreement. All present resolutions, ordinances, rules and regulations, practices and policies covering matters within the scope of representation will continue in force and effect during said period without change, except to conform to the terms of this M.O.U. subject to meet and confer. Notice of any matter proposed to be changed will be provided to the Union in a timely fashion.

Article 6. Salary and Special Compensation

A. Cost of Living Adjustment

A Cost of Living Adjustment (COLA) shall be applied to all unit classifications effective July 12, 2003, July 10, 2004 and July 9, 2005. This represents 26 pay periods or one (1) full year between COLA's. The COLA shall be applied by utilizing the following method:

1. Salary ranges in effect July 12, 2003 will be increased by one hundred percent (100%) of the increase in the Consumer Price Index, San Francisco-Oakland-San Jose, Urban Wage Earners and Clerical Workers, as published by the Bureau of Labor Statistics, U.S. Department of Labor for the month of April 2002, compared to the same publication for the month of April 2003. The COLA for the initial period shall be two and one-half percent (2.5%).

2. The same method shall be used in the succeeding two (2) years (2004 and 2005) of the contract by adjusting the dates so that the calculation is based on the most recent April to April period.

B. Deferred Compensation Plan

The City shall continue to provide a voluntary deferred compensation plan for all employees of this unit for the term of this M.O.U.

C. Retirement

1. Contribution

- a. The City shall provide the PERS Section 21354 “2% at age 55” retirement benefit for eligible unit members for the term of this contract.
- b. The City shall pay all of the member and employer contributions to PERS for each eligible member of the unit for the term of the M.O.U.

2. 1959 PERS Survivor Death Benefit

The City shall provide the PERS Section 21574 “Fourth Level 1959 Survivor Death Benefit” for all eligible unit members for the term of this contract. The City shall pay the employer rate contribution. The employee shall pay the member rate contribution.

3. One Year Final Compensation Benefit

- a. The City shall provide the PERS Section 20042 “One Year Final Compensation” benefit for eligible unit members.
- b. The City shall pay all of the employer and member contributions to PERS for each eligible member of the unit for this benefit.

4. Retirement Incentive Programs

The City shall review and evaluate the PERS Section 20903 “Two Year Additional Service Credit” benefit or any other available retirement incentive programs during the term of the agreement.

5. Retirement Enhancement Actuary Valuation

The City agrees to request a PERS actuary valuation for enhanced retirement benefits (i.e. 2.7% @55, 3% @ 60) by May 1, 2006. The City is not obligated to implement any of the enhanced retirement benefits.

6. Modifications

The City shall not make any other modifications in the current PERS contract which would implement a multi-tiered retirement plan or would reduce employees’ basic retirement benefits without a vote of all effected employees.

D. Overtime and Holiday Pay

1. Overtime Pay

Any employee represented by this unit who is authorized or required to work overtime in excess of eight (8) hours per day or forty (40) hours per week shall be compensated at the rate of time and one-half for each hour worked.

2. Holiday Pay

Any employee represented by this unit who is authorized or required to work on any City recognized holiday shall be compensated at the rate of time and one-half for each hour worked, in addition to regular pay for the holiday.

E. Compensatory Time

1. Overtime

Employees shall have the option to either receive paid compensation at a rate one and one-half (1½) times the employees regular rate of pay for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, or to take compensatory time off from duty at a rate of one and one-half (1½) times the amount of each overtime hour worked which exceeds eight (8) hours per day or forty (40) hours per week.

2. Holidays

Employees who work holidays shall have the option to either receive paid compensation at a rate one and one-half (1½) times the employees' regular pay rate plus receive the employees' regular paid compensation for the holiday, or to take compensatory time off from duty at a rate one and one-half (1½) times the amount of each hour worked plus receive eight (8) hours regular paid compensation. Employees who are called in on holidays shall also receive this option.

3. Maximum Accrual

Employees may accumulate a maximum of 240 hours (160 FLSA overtime hours worked) in their "comp time bank".

4. Compensatory Time Conversion To Cash

Employees may convert accumulated compensatory time to cash as follows:

- a. Twice during the fiscal year an employee may request a cash payment of accumulated Compensatory Time Off (CTO).
- b. Requests for payment must be made in writing to the Finance Department at least thirty (30) days in advance of June 1st and December 1st of each year.
- c. Cash payment of CTO shall be paid on the first pay day which follows June 1st and December 1st of each year. This payment will be made in a check separate from the normal payroll check issued for that pay period.

Article 7. Insurance

A. Health Insurance

The City shall provide employees with the choice of participating in either the Public Employees' Medical and Hospital Care Act (PEMHCA) program offered by CALPERS or the Blue Cross HMO program.

B. Health Insurance Waiver Option

1. After the date of adoption of this MOU, employees who elect not to participate in the City's health care insurance program will be compensated an amount equivalent to twenty five percent (25%) of the premiums for the City's health plan at the level in which the employee was participating (employee only, employee + 1 dependent, employee + 2 or more dependents) at the time of waiving City insurance coverage. This cash amount will be paid as part of the employee's bi-weekly payroll.

2. Employees electing not to participate in the City's health care insurance program must provide proof of medical insurance coverage by an outside provider.
3. Any employee opting out of the City health insurance program, as described in Section 1 above, will not be eligible for the "Insurance Augmentation" payment described in Section D "Insurance Augmentation" below.

C. IRS Code Section 125 Flexible Benefits/Cafeteria Plan

1. The City shall provide for unit members an IRS Code Section 125 Flexible Benefits/Cafeteria Plan in accordance with all applicable state and federal laws and regulations.
2. The City shall contribute toward the PEMHCA or Blue Cross HMO medical, dental and vision care plan amounts allocated in accordance with the City's IRS Code Section 125 Flexible Benefits/Cafeteria Plan, attached as Exhibit A.

D. Insurance Augmentation

1. The City shall contribute an amount of one thousand five hundred ninety three dollars (\$1593.) annually, defined as "Insurance Augmentation", to either a 457 Deferred Compensation Plan, Roth IRA or an IRS Code Section 125 Flexible Benefits/Cafeteria Plan established for each employee during the term of the contract. The aggregate of \$1593 annually may be distributed between the IRS Code Section 125 Flexible Benefits/Cafeteria Plan, Roth IRA or the 457 Deferred Compensation Plan in any proportions elected by the employee in compliance with applicable City policies and state or federal laws and regulations.
2. The "Insurance Augmentation" annual benefit of one thousand five hundred ninety-three dollars (\$1593) shall not be provided to new unit employees that are hired after this M.O.U. has been adopted.
3. The "Insurance Augmentation" benefit shall cease on June 30, 2006 and will no longer be provided to unit members.

E. Terms for Health Care Participation

Participation and coverage in the medical, dental and vision care plans shall be in accordance with the terms and conditions of the insurance carrier.

F. Employee Premium Paid By City

The City shall contribute towards the medical, dental and vision insurance plans an amount equal to the employee only premium at the time of adoption of this M.O.U. for each member of the unit for the term of this M.O.U. The employee only premium for medical insurance shall be based on the higher premium of either PEMHCA's PERS Choice or Blue Cross HMO. Premium increases subsequent to the adoption of this M.O.U. shall be shared equally by the City and employee (50% by City and 50% by employee) except that the employee's portion of the increase shall not exceed fifty dollars (\$50) per month per calendar year.

G. City Health Care Contributions

The City further agrees that medical, dental and vision insurance plans shall include provisions for dependent coverage at the employee's option. The City shall contribute after the adoption of this M.O.U. monthly amounts toward such dependent coverage based on the higher premium of either PEMHCA's PERS Choice or Blue Cross HMO, so that the employee pays no more than:

Medical - One Dependent	\$32.55
Medical - Family	\$57.54
Dental - One Dependent	\$ 8.69
Dental - Family	\$19.39
Vision - One Dependent	\$29.93
Vision - Family	\$29.93

Should the employee select a plan other than PEMHCA's PERS Choice or Blue Cross HMO, whichever premium is higher, the employee medical contributions may vary.

H. Vision Insurance

The City shall provide a vision care insurance plan which is available to eligible unit members and qualified dependents during the term of this M.O.U.

I. Life Insurance

The City shall provide term life insurance in the amount equal to \$50,000 for each member of the unit for the term of this M.O.U. Additional term life insurance may be purchased by the employee in increments of \$10,000 up to a total of \$250,000.

J. Long Term Disability Insurance

The City shall provide a supplemental long term disability plan coordinated with other benefits and providing no more than a ninety (90) day elimination period; a one year benefit for accident or illness; and a minimum scheduled benefit of sixty percent (60%) of gross salary to a maximum of \$2,000 per month for each member of the unit for the term of this M.O.U.

Article 8. Personnel System Rules and Regulations

This M.O.U. sets forth certain benefits and working conditions for employees in the General Employees' Unit. Other rules, regulations, policies and general working conditions governing employment for employees covered by this M.O.U. are set forth in the Personnel System Rules and Regulations of the City. If during the term of this M.O.U. the City desires to amend the Personnel System Rules and Regulations, the City shall give notice to the Union of the proposed changes. Representatives of the City and Union shall meet in a timely manner. Hours, wages and general working conditions contained in the Personnel System Rules and Regulations are the proper subjects of the grievance procedure.

Article 9. Job Related Disabilities and The Americans With Disabilities Act**A. Job Related Disabilities**

City agrees to comply with the Labor Code of the State of California for employees within this unit deemed disabled or temporarily disabled as a result and because of such job related injury which requires them to be absent from active City service.

B. Americans With Disabilities Act

The parties recognize that the City may be required to make accommodations in order to carry out its obligations under the Americans with Disabilities Act (ADA). Some of the accommodations may require actions which are contrary to the language or intent of existing provisions of this agreement. The parties agree that

such accommodation relating to ADA shall not constitute a 'past practice' or waiver by either party of its right to fully enforce such provisions in the future with regard to persons not subject to the protection of the ADA. The parties recognize that circumstances surrounding ADA compliance in individual cases may involve matters which are personal and require the utmost confidentiality. Specifics of an individual case may not be divulged by the City. However, the City, when the release of information is either authorized or will not violate confidentiality, will notify the Union when an accommodation has been made that affects other employees in the workplace. Accommodations made by the City under this Article shall not be subject to the grievance procedure.

Article 10. Safety Compliance and Equipment

A. Safety Compliance

The City and Union shall meet the requirements of Cal OSHA. The Union further agrees to bring any safety concerns immediately to the attention of management.

B. Safety Boot Allowance

Eligible unit employees, other than those assigned to the Public Works Department Operations and Maintenance Section, Utilities, Streets, Parks, and Buildings & Grounds Divisions and the Animal Control Division of the Management Services Department, shall be reimbursed up to \$150 per year, upon presentation of satisfactory proof-of-purchase, for safety shoes or boots which are approved and authorized by City management. Eligible unit employees assigned to the Public Works Department Operations and Maintenance Section, Utilities, Streets, Parks, and Buildings & Grounds Divisions, and eligible unit employees assigned to the Animal Control Division of the Management Services Department shall be reimbursed up to \$300 per year, upon presentation of satisfactory proof-of-purchase, for safety shoes or boots which are approved and authorized by City management. Used safety shoes and boots are the property of the City and shall be returned to the City. This allowance is to assist employees in purchasing City-approved work shoes and/or boots appropriate for the type of work being performed in accordance with General Industry Safety Orders, Title 8, Section 3385. Appropriate safety shoes and boots shall incorporate the following safety factors depending on the type of work performed: 1) non-skid sole; 2) adequate ankle protection; 3) puncture protection; 4) impact/compression protection.

C. Animal Control Safety Equipment

The City agrees to provide necessary safety equipment for the classifications of Animal Control Officer and Animal Control Officer Assistant. This equipment may include, but not be limited to, bullet proof vests, utility belts and bite sticks. This equipment will be purchased by the City at no cost to unit members.

Article 11. Grievance Procedure

This grievance procedure shall be the sole and exclusive procedure for resolving grievances filed by employees covered by this M.O.U.

A. Definition

A grievance is a claimed violation, misapplication or misinterpretation of a specific provision of this agreement or the City's Personnel System Rules and Regulations which adversely affects the grievant.

B. Stale Grievance

A grievance shall be void unless filed in writing within fifteen (15) calendar days from the date upon which the City is alleged to have misinterpreted or misapplied this agreement, or within fifteen (15) calendar days from the time an employee might reasonably have been expected to have learned of the alleged misinterpretation or misapplication. Such discovery period shall not exceed 180

days regardless of the date of discovery. In no event shall a grievance include a claim for money relief for more than the fifteen (15) day period plus such reasonable discovery period.

C. Informal Discussion with Employee's Supervisor

Before proceeding to the formal grievance procedure, an employee shall discuss his/her grievance with his/her immediate supervisor in private and attempt to work out a satisfactory solution. Any solution reached at this level must be reviewed by the Personnel Officer to assure compliance with this agreement before it has any binding effect.

D. Formal Written Grievance to Employee's Supervisor

If the employee chooses to formally pursue his/her grievance, he/she or his/her representative shall present the written grievance to his/her immediate within five (5) working days after the date upon which the grieving employee informally discusses the grievance with the supervisor. (In the event a group grievance is formally submitted by the recognized employee organization, its initial submission will be to the department head and subsequent steps will be followed as outlined in this section.) The formal written grievance shall specify the provisions of this M.O.U. or the City's Personnel System Rules and Regulations alleged to have been misinterpreted or misapplied, the remedy sought, and such other specific dates, times, places and persons and other facts necessary to derive a clear understanding of the matter being grieved. The immediate supervisor shall return a copy of the written grievance to the employee with the supervisor's answer thereto in writing within five (5) working days from receipt of the supervisor's answer within which to file an appeal to the next level.

E. Grievance to Department Head/City Manager

The department head or the City Manager, if the department head was the grievant's immediate supervisor, shall have seven (7) working days in which to review and answer the grievance in writing. Unless waived by mutual agreement of the employee or his/her representative and the department head or City Manager, a meeting is required at this level and the employee and his/her representative shall have the right to be present and participate in such a meeting. The time limits at this level may be extended by mutual agreement between the department head or City Manager and the employee or his/her representative.

F. Waiver of Appeal Steps

If the grievance is not resolved after the immediate supervisor has answered it in writing, the grievant(s) and the department head may, by mutual agreement, waive review of the grievance at Step E and proceed to present the grievance to the City Manager.

G. Advisory Fact Finding of Grievances

In the event the grievance is not resolved by the City Manager, the recognized employee organization may within fifteen (15) calendar days after receipt of the decision of the City Manager, request that the grievance be heard by a fact finder.

H. Selection of a Fact Finder

The fact finder shall be selected by mutual agreement between the City and the Union. If the parties are unable to agree on the selection of a fact finder, they shall jointly request the State Mediation and Conciliation Service to submit a list of five (5) qualified fact finders. The City and the grievant, or his/her representative, shall then alternately strike names from the list until only one name remains, and that person shall serve as fact finder.

I. Duty of Fact Finder

Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the fact finder to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a proposed disposition of the grievance which shall be advisory in nature.

The proposed disposition shall be based solely on the interpretation of the applicable provisions of the M.O.U. and other personnel rules if applicable to the grievance, and he/she shall not add to, subtract from, modify or disregard any of the terms or provisions of the M.O.U. or such rules.

J. Payment of Costs

Each party to a hearing before a fact finder shall bear its own expenses in connection therewith. All fees and expenses of the fact finder shall be borne one-half by the City and one-half by the grievant.

If the City does not implement the proposed disposition of the grievance made by the fact finder, the City shall pay all fees and expenses of the fact finder.

K. Effect of Failure of Timely Action

Failure of the employee(s) to file an appeal within the required time period at any level shall constitute an abandonment of the grievance. Failure of the City to respond within the time limit at any step shall result in an automatic advancement of the grievance to the next step.

Article 12. Union Security

A. Union Dues Check-Off and Agency Fee Deductions

1. In accordance with the provisions of this Article, the City shall make payroll deductions from the pay of employees who authorize such deductions in writing on a form provided and/or approved by the City or who are subject to automatic payroll deductions of an Agency Fee. Such deductions shall be made in accordance with rules and regulations established by the City and the provisions of this Article. Deductions shall be in a pay period basis and shall be made payable to the Union. The Union, as the formally recognized employee organization, may designate the Hollister Municipal Employees Association as the payee of the dues check-off check from the City and to receive the check on behalf of the Union by providing specific written authorization to the City Finance Director. In lieu of such written authorization the dues check-off check shall be forwarded directly to the Union.
2. All other legal and required payroll deductions shall have priority over dues check-off and Agency Fee deductions. The employee's earnings must be sufficient after other legal and required deductions are made to cover the amount of the dues check-off authorized or the automatic Agency Fee. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover that pay period from future earnings nor will the employee be required to deposit the amount of deductions with the City which would have been withheld if the employee had been in a pay status during the pay period. In the case of an employee who is in a non-pay status during only a part of the pay period and the salary is not sufficient to cover the full withholding, no deduction shall be made.

B. Maintenance Of Membership

This section shall be applicable to employees hired by the City on or before November 15, 1995. All affected employees who have authorized payroll deductions for payment of Union dues prior to the effective date of this M.O.U. (and have reaffirmed such deductions by completing the dues check-off addendum), and all affected employees who establish dues payroll deductions during the term of this M.O.U., shall remain members of the Union throughout the life of the M.O.U., provided that Union members on payroll deduction may terminate their authorization for deduction of Union dues by giving written notice to the Director of Management Services during the month of April of the last year of this M.O.U.

C. Agency Shop/Fee

1. This section shall be applicable to regular full-time employees hired by the City into classifications represented by the Union after November 15, 1995, (Excluding regular part-time, temporary and seasonal employees). Membership in the Union shall not be compulsory. An affected employee has the right to choose either to become a Union member or to refrain from becoming a Union member. If an employee chooses to refrain from becoming a Union member, such employee must pay the Union a fee for representation services (hereinafter termed "Agency Fee") unless exempt pursuant to Section 8. Exemptions. Any new employees that elect to join the Union also join CHMEA and are subject to both Union and CHMEA membership dues. New employees that do not elect to join the Union are subject to the Agency Fee only.
2. An affected employee who is not exempt pursuant to Section 8. Exemptions, and who has not voluntarily authorized Union dues deductions within thirty (30) calendar days of the date the employee is hired must, as a condition of employment, pay each pay period, an Agency Fee in exchange for agent services necessarily performed by the Union in conformance with its legally imposed duty of fair representation on behalf of such employee. If an employee takes no action to become a Union member within that time period, the City will start automatic deduction of the Agency Fee beginning the first payroll period following the 30th calendar day of City employment.
3. The amount of the Agency Fee collected by the City from a non-member employee shall be determined by the Union. The Union shall inform the City in writing of the Agency Fee. Such Agency Fee shall be a percent of the Union's normal dues initiation fee and the Union's normal dues, initiation fees and special assessments to members which does not:
 - a. Exceed the Union's normal dues, initiation fees, and special assessments to members.
 - b. Include Union expenses for political or ideological efforts.
 - c. Exceed Union expenses necessary for meeting and conferring.
4. Disputes over amount of Agency Fee shall be resolved pursuant to "Rules for Impartial Determination of Union Fees" promulgated by the American Arbitration Association of June 1, 1986 (as may be revised).
5. The Union shall keep an itemized record of its financial transactions and shall provide the City, and any requesting employee, with a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to accuracy by the Union president and treasurer (or corresponding principal officer) or certified public accountant. Such report(s) shall be provided to the City prior to March 1st of each year. If the Union fails to provide the required written financial report(s), the City shall suspend dues check-off and Agency Fee deductions for each pay period the report(s) is unavailable.

6. A non-member employee, who is not exempt pursuant to Section 8. Exemptions, shall sign and present to the City an authorization form, determined to be appropriate by the City, which authorizes the City to deduct the Agency Fee for payment to the Union.
7. If a non-member employee, who is not exempt pursuant to Section 8. Exemptions, does not sign and present the appropriate authorization form to the City, the City shall not deduct an Agency Fee from such employee's pay until:
 - a. After City receipt of a request from the Union for the City to deduct and forward an Agency Fee payment to the Union from such employee.
 - b. After City receipt of written certification from the Union that the non-member employee has not :
 - 1). Joined the Union.
 - 2). Voluntarily authorized the City to deduct an Agency Fee, and
 - 3). Applied for, and is not qualified for, an exemption, and
 - c. After City receipt of a copy of the Union's written notification to the employee that the Union has requested the City to initiate automatic payroll deduction of an Agency Fee payment to the Union from the employee.

If all conditions set forth above have been met, the City shall initiate automatic payroll deduction of an Agency Fee payment to the Union from the employee's earnings.

8. Exemptions

An affected employee shall not be obligated to pay an Agency Fee if:

- a. The employee has supervisory responsibilities. For purposes of this M.O.U. a "supervisor" is defined as any individual, regardless of the job description or title, having authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibility to direct them, or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment.
- b. The employee has confidential responsibilities. For purposes of this M.O.U., a "confidential employee" is defined as any employee who is required to develop or present management positions with respect to employer-employee relations or whose duties normally require access to confidential information contributing significantly to the development of management positions.
- c. The employee is a member of a bonifide religion, body, or sect which has historically held conscientious objections to joining or financially supporting a Union.
- d. The employee is not in a paid status for at least one (1) full pay period.
- e. The employee has other payroll deductions which after deduction from the employee's gross pay do not leave sufficient funds to deduct the full Agency Fee.

9. The City's sole and exclusive responsibilities pursuant to this Article are limited to:
 - a. Notifying an employee who has failed to comply with the provisions of this Article that, as a condition of employment, the employee must either become a Union member, pay an Agency Fee either through voluntary or involuntary deductions, or qualify and establish an exempt status, and
 - b. Making payroll deductions pursuant to the applicable provisions above.

Notwithstanding any other provision in this Article to the contrary, under no circumstance shall the City be required to discharge or discipline an employee for failure to fulfill the employee's obligation to pay an Agency Fee.

D. Agency Fee Cancellation Election

The employees shall have the right to an election by secret ballot on the question of canceling an Agency Fee as a condition of employment pursuant to the following conditions:

1. Pre-Election Conditions
 - a. Presentation to the City Manager of a petition, titled "Petition to Cancel Agency Fee", signed by at least thirty percent (30%) of the employees eligible to vote in the Agency Fee Cancellation Election within thirty (30) calendar days prior to presentation of such petition to the City Manager, and
 - b. Verification by a State Mediation and Conciliation Service representative of the validity of such petition.
2. Election Conditions
 - a. The Agency Fee Cancellation Election shall be conducted, and the results shall be certified, pursuant to rules and regulations of the State Mediation and Conciliation Service.
 - b. At least fifty percent (50%) plus one (1) employee of all employees in this unit who have no supervisory or confidential responsibility vote in the election, and
 - c. At least fifty percent (50%) plus one (1) or those voting vote to cancel the Agency Fee.

3. Post Election Conditions

If a State Mediation and Conciliation Service representative certifies in writing to the City Manager that the conditions of Section 2. Election Conditions, have been satisfied, the City shall cancel Agency Fee deductions on the first (1st) payday which is at least thirty (30) calendar days after the date of receipt of written certification by the State Mediation and Conciliation Service representative. The Union Security provisions of Section B. Maintenance of Membership, shall be applicable to all regular full-time, career employees except that all employees on payroll deduction may terminate their authorization for deduction of Union dues by giving written notice to the Director of Management Services during the thirty (30) calendar days following the first (1st) payday on which the Agency Fee deductions have been canceled by the City.

4. There shall be no more than one (1) Agency Fee Cancellation Election in any twelve (12) month period.

E. Union Indemnification, Hold Harmless and Defense

1. The Union agrees to indemnify, hold harmless and defend the City and its officers, employees, and agents against all claims, proceedings, actions, and liability arising, directly or indirectly out of any actions taken or not taken by or on behalf of the City pursuant to any claims made and against any suits instituted against the City on account of the City's implementation and enforcement of Section A. Union Dues Check-Off and Agency Fee Deduction, and Section B. Maintenance Of Membership of this Article.
2. The Union shall hold the City harmless and shall fully and promptly reimburse the City for any fees, costs, charges, penalties, or judgments, incurred by the City in responding to or defending against claims, disputes, or challenges which are brought against the City or any of its agents in connection with the administration or enforcement of any provision of Section C. Agency Shop/Fee. Such reimbursement includes, but is not limited to, court costs, litigation expense, and internal and external attorney's costs incurred by the City.

Article 13. Miscellaneous

A. Bilingual Allowance

Employees who perform technical bilingual skills (reading, writing, translation) and who successfully pass a City-administered proficiency test shall receive an allowance of one hundred twenty-five dollars (\$125.) per month.

B. Tool Replacement Allowance

1. The City shall provide a tool replacement fund for the replacement of worn out or broken shop tools and the purchase of new shop tools as needed. This allowance will be available to those employees in classifications which are required as a condition of employment to provide their own shop tools for the performance of their duties within City service. The utilization of this fund shall not exceed \$300. per employee for any fiscal year. All shop tools purchased and reimbursed under this provision shall be maintained by the employee so as to be immediately available for City work.
2. The employee shall acquire the tool(s) and shall present documentary evidence (receipts and invoices, etc.) of the acquisition and ownership to the City for reimbursement. The Department Head or his designee may inspect and inventory all tools acquired under this provision.

C. Standby Pay

Employees covered by this agreement who are assigned to standby duty shall be paid one hundred fifty dollars (\$150) for each week that they are so assigned. The City shall have full discretion in making and administering standby assignments. This shall include, but not be limited to, the authority to: 1) require an employee to be available at all hours by telephone or to use a pager; 2) to restrict travel; 3) require refraining from activities which would impair the ability to respond to emergency situations. Management agrees to involve employees in discussions regarding standby policy modifications

D. Heavy Equipment Operation Premium

Employees in the class of Maintenance Worker I/II, Senior Maintenance Worker, Junior Water Operator and Water Operator I/II who are assigned to operate the street sweeper or the hydro-vacuum unit for a minimum of two (2) hours shall receive a premium payment of one dollar (\$1.00) over his /her regular base rate for each hour worked in such assignment, rounded down to the nearest hour. Employees whose job assigns them specifically to a piece of the above referenced equipment shall not be eligible for this premium pay.

E. Working Out of Classification Assignment

Unit employees assigned by management on a Personnel Action Form (PAF) shall be compensated within the salary range for which the assignment is made but in no case less than five percent (5%) subject to the following:

1. The position must be vacant and budgeted.
2. Must be assigned by Management.
3. The grievance procedure shall not be utilized by unit members in any conflict and Management's assignment or non-assignment is final a binding upon all parties.

F. Sick Leave Conversion To Cash

Eligible unit employees may convert a percentage of accrued, unused sick leave to cash at death or retirement from City employment. The provisions for this policy are as follows:

1. Employees of this unit may not "cash out" or be compensated for any of the first 240 hours of sick leave accrued.
2. Any current employee of this unit having completed 10 years of continuous service with the City and who retires from City service, will be compensated for 25% of accrued, unused sick leave in excess of 240 hours at the employee's hourly rate of pay at the time of retirement from City service.
3. The surviving spouse, beneficiary(s), dependent(s) or estate of any current employee of this unit who has completed 10 years of continuous service with the City and dies while employed by the City prior to retirement, will be compensated for 50% of accrued, unused sick leave in excess of 240 hours at the employee's hourly rate of pay at the time of death.
4. Any current employee of this unit having completed 10 years of continuous service with the City and having an unused sick leave accrual balance exceeding 500 hours may, at their option, "cash out" up to a maximum of 96 hours (12 days) of unused sick leave annually as long as the "cashed out" hours do not diminish the unused sick leave accrual balance to an amount less than 500 hours.
5. Compensation for unused, accrued sick leave will be made at the employee's rate of pay at the time of "cash out". Requests for payment of unused sick leave as described herein, shall be made in writing to the Finance Department at least 30 days in advance of June 1st and December 1st of each year.
6. Payments of "cashed out" unused sick leave will be made on the first pay day which follows June 1st and December 1st of each year. A check separate from the normal payroll check shall be issued for payment of unused sick leave.

G. Vacation Leave

Vacation leave accrual for each represented unit member shall be as follows:

<u>Years of Service</u>	<u>Annual Vacation Accrual</u>
1 st through completion of 3 rd	10 days
4 th through completion of 7 th	15 days
8 th through completion of 15 th	20 days
16 th through completion of 20 th	22 days
beginning of 21 st year	1 additional day per year of service up to 25 days

H. Flexible Work Schedule

Eligible unit members may work flexible work schedules (i.e. 4/10, 9/80) when feasible. It is not the intention of the City to reduce the number of hours that City services are available to the public. It is agreed that implementation of flexible work schedules shall be evaluated on a work unit basis, and will only be approved in those units where flexible work schedules can be implemented without reducing service levels and cost effectiveness.

I. Union Representatives Time Off for Training

City shall grant Union employee board members a total of three (3) person days per year for the purpose of attending Union sponsored educational and training opportunities. These educational and training days will be paid time off from work. It is agreed that the employee representatives shall provide sufficient notice to their supervisors so that work schedules can be arranged to compensate for their absence. City will grant necessary time off from work for meet and confer preparation and negotiations.

J. Committee to Review City Personnel Rules and Regulations

The City recognizes that there may be a need to review and revise certain personnel procedures. For those items that are subject to meet and confer, the method by which this is to be implemented is through a joint committee to review the City's Personnel Rules and Regulations. The committee is to be composed of three (3) Union selected employees and three (3) Management personnel to be recommended by the City Manager. The committee will be provided access to all pertinent information, including financial data, to assist in completion of this review.

K. Professional Development Incentive Program

Employees shall receive a bonus for obtaining certificates or degrees received after July 1, 1998 provided the employee has completed their probationary period. A certificate bonus shall not be awarded if the certification or degree is a minimum requirement for their position. The certificate must relate to the employee's current position or future lateral or promotional opportunities with the General Employees Unit, Mid-Management Association or the unrepresented units of Confidential Employees and Executive Management. Vocational Training, for purposes of this section, is defined as a minimum of 100 hours of specific training in a career field which results in a certificate of completion. The minimum 100 hours shall be documented classroom time or in the case of a correspondence program identified as the average length of time required to complete the program certification as documented by the certifying agency or institution. Only one (1) bonus per calendar year can be received by an employee. If an employee receives either a Ph.D., Master's degree or Bachelor's degree in a calendar year, the employee may also receive one (1) additional bonus for a certificate earned in the same calendar year.

Professional Certificates - \$2500 lump sum

- Professional Engineer Registration
- Professional Land Surveyor Registration
- Certified Public Accountant
- Engineer-In-Training
- Land Surveyor-In-Training
- X American Institute of Certified Planners
- Paralegal Certificate

College Degrees and Certificates - \$2500 lump sum

- X Ph.D.
- Master's Degree
- Bachelor's Degree
- Associate's Degree

Technical Certificates - \$2000 lump sum

- Grade 5 Water Treatment Operator or Water Distribution Operator
- Grade 4 Water Treatment Operator or Water Distribution Operator
- Grade 3 Water Treatment Operator or Water Distribution Operator
- Grade 2 Water Treatment Operator or Water Distribution Operator
- Grade 1 Water Treatment Operator or Water Distribution Operator
- Grade 5 Waste Water Treatment Operator
- Grade 4 Waste Water Treatment Operator
- Grade 3 Waste Water Treatment Operator
- Grade 2 Waste Water Treatment Operator
- Grade 1 Waste Water Treatment Operator
- I.C.B.O. Certificates
- Public Works Inspector – NICET
- Cross Connection Control Specialist Certification
- Certified Arborist

Vocational Certificates Of Completion - \$1500

Examples:

- A+ Certification (Computer Hardware, Software & Networking)
- Microsoft Certified Systems Engineer
- Cisco Certified Network Associates
- Operation Of Wastewater Treatment Plants Program administered by California State University, Sacramento Regional and Continuing Education Program

Technical Certificates - \$1000 lump sum

- Chemical Applicator
- Licensed Tree Trimmer
- Automotive Service Technician (ASE)

The following are not eligible for consideration under this section:

- X Any driver's licenses
- X Certificates, licenses or degrees required for the position the employee holds
- X Certificates, licenses or degrees earned at the expense of the City including City sponsored training programs and consortium training programs except for approved tuition reimbursement pursuant to Section 8.10 (D) and (E) of the City of Hollister Personnel Rules & Regulations for Associate degrees, Bachelor's degrees, Master's degrees and Ph.D.degrees.

The process for receiving a bonus under this program shall be:

- Prior to beginning any class, program, seminar or study toward a desired certificate or degree, the employee must submit a request to his/he department head for consideration and approval of bonus award. Qualifying classes, programs, seminars or study toward a desired certificate or degree shall not be denied.

X If prior approval is not obtained, the class, program, seminar or study toward a desired certificate or degree shall not fall within the scope of this Professional Development Incentive Program.

X Upon obtaining a copy of the certificate or degree, payment will be processed for the specified bonus amount. Bonuses shall not be granted prior to receiving a copy of the degree or certificate. Federal law mandates that any employee receiving a cash bonus will be issued an IRS 1099 statement and will be required to declare this as additional income for tax purposes at the end of the year

L. Flexibly Staffed Entry Level Positions

The City shall advance employees that are in the entry level of flexibly staffed classifications (i.e. Maintenance Worker I, Support Services Assistant I, Account Technician I) to the journey level after meeting the experience requirements for the journey level classification, successfully passing a probationary period in the entry level classification and being given a satisfactory performance evaluation

M. Longevity Pay

Those unit members that have completed 10 consecutive years of service with the City, shall receive a longevity bonus of 1.5% of base salary. An additional 1.5% of base salary will also be implemented at the completion of the 15th and 20th years of consecutive service to the City of Hollister. Employees who have worked more than 10 consecutive years at the time of approval of this Resolution will receive an initial bonus of 1.5%. The employee will then have to wait until the next milestone to receive the next bonus (i.e. an employee with 16 years of service will receive a 1.5% longevity bonus and will have to wait until the completion of the 20th year before the final 1.5% longevity bonus will be awarded.)

N. One Year Probationary Period For All Unit Members

A mandatory one (1) year probationary period shall be in effect for all new employees hired after November 27, 2000 and for all existing employees promoting to a new classification after the same date.

O. Reclassification and Salary Adjustment Policy

The City and Union agree to develop a structured process for addressing individual reclassifications and resulting salary adjustments that will be consistent with the annual budget process.

P. Christmas Eve Holiday

The City shall provide an additional paid ½ day holiday on the afternoon (4 hours) of December 24th, known as Christmas Eve. The Christmas Eve holiday shall be observed on the afternoon of the workday preceding the day on which the December 25th holiday, known as Christmas Day, is observed.

Q. Uniform Allowance

An allowance for the maintenance of uniforms in the amount of sixty dollars (\$60) per month will be granted to employees in the classifications of Animal Control Officer and Animal Control Officer Assistant when said employees are required to wear a uniform.

R. Health Care Reform

The City shall review, with the Union during the term of this agreement, any health care insurance, or related insurance proposals, that may assist with controlling escalating insurance costs.

Article 14. Reopener

Notwithstanding the provisions of this M.O.U. to the contrary, the City or the Union may formally request that this M.O.U. be reopened for the sole purpose of negotiating potential retirement benefit modifications if new programs are offered by PERS during the term of this M.O.U.

Upon request by either party and consent by the other party (mutual consent), this M.O.U. shall be reopened for the limited purpose of negotiating the above referenced item, providing that the requesting party delivers to the other party a written notice of intent to reopen, accompanied by a written proposal concerning the item. Failing receipt of a written notice, written proposal and/or mutual consent to reopen, this M.O.U. shall not be reopened, except to the extent authorized by law.

Article 15. Maintenance of Operations

The Union agrees that during the term of this M.O.U. and for the period of time necessary for the meet and confer process to conclude a successor M.O.U., neither the Union, nor any representative acting on its behalf, will cause, authorize, engage in, condone or sanction a strike, sick-in, work stoppage, slow down, picketing (other than informational picketing on the employees' own time), concerted or individual failure to report for duty, unauthorized absence, including compliance with a request of another unit's labor organization to engage in or honor such activities against the City, or any activity by any other euphemism known which results in less than the full and faithful performance of any duties of employment.

If the City determines that an employee has engaged in any activity above, the employee may be subject to disciplinary action up to and including discharge from City service.

Article 16. Prevailing M.O.U.

In the event of a conflict between a specific provision of this M.O.U. and a written rule, regulation, or resolution of the City or any of its divisions, the terms of the M.O.U. shall prevail and said written rule, regulation, or resolution shall be physically amended to conform to the specific provisions of this M.O.U.

Article 17. Drug Free Workplace Policy

The City's Drug Free Workplace Policy, City Personnel Rule 2.05, adopted by Resolution 92-116 (August 3, 1992), is incorporated by reference into this M.O.U.

Article 18. Savings Clause

If any article or section of this M.O.U. should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other articles and sections of this M.O.U. shall remain in full force and effect for the duration of this M.O.U. In the event of invalidation of any article or section, the City and the Union agree to meet within thirty (30) days for the purpose of meeting and conferring upon said article or section.

Article 19. Term of Agreement

The term of this M.O.U. shall commence on July 1, 2003 and shall expire June 30, 2006, unless otherwise agreed to by both parties. It is also agreed to by both parties to initiate the meet and confer process in a timely fashion, exchanging written proposals at least thirty (30) days prior to the termination of this agreement. An extension of the term of this agreement on a month to month basis may be made by mutual agreement of the parties.

The above constitutes a full and complete agreement between the parties on all matters within the scope of representation.

City of Hollister

Hollister Municipal Employees Association

Dated _____

Dated _____

by _____
City Manager

by _____
President

by _____

by _____
Chief Negotiator

by _____

by _____

by _____

by _____